

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1032 - SB 1048

March 3, 2023

SUMMARY OF BILL: Requires the Commissioner of the Department of Children's Services (DCS) to ensure that, by January 1, 2025, no case manager is responsible for more than 15 cases simultaneously, except in certain circumstances. Authorizes the Commissioner of DCS to employ special response team personnel who do not maintain regular caseloads but are available to assume cases.

Requires DCS, beginning January 1, 2024, to annually publish on its website information related to current case manager and supervisor caseloads.

Establishes that, beginning January 1, 2025, if the average case manager caseload exceeds 15 for two consecutive months, or if 10 percent of case managers have caseloads exceeding 15, DCS will be considered noncompliant and must then deliver a summary of emergent efforts being made to rectify the noncompliance to the Governor, Tennessee General Assembly (TGA), and the Commission on Youth and Children, and to post monthly on its website the average caseload. Requires the Commissioner, by December 1 of each year, to give written notice to the Governor and TGA if any of these caseload requirements are infeasible or unwarranted.

FISCAL IMPACT:

Other Fiscal Impact – The current DCS budget contains funding sufficient to fund the requirements of this legislation; however, due to staff vacancy rates, funds have not been expended; such unspent funds revert to the General Fund. To the extent all required positions were filled, the increase in expenditures would be \$14,056,100 in state funds and \$9,418,900 in federal funds in FY24-25, and \$28,112,200 in state funds and \$18,837,800 in federal funds in FY25-26 and subsequent years.

Assumptions:

- Pursuant to Tenn. Code Ann. § 37-5-132(a)(1)-(2), the DCS is required to maintain staffing levels of case managers so that each region has enough case managers to allow caseloads not to exceed an average of 20 active cases relating to initial assessments, including investigations of an allegation of child abuse or neglect, or 20 children monitored and supervised in active cases relating to ongoing services.
- The proposed legislation would require DCS to maintain staffing levels so that caseloads do not exceed 15 cases per case manager.

- DCS requires one team leader for every five case managers, and one team coordinator for every four team leaders.
- According to DCS, there are currently 1,407 case managers employed at DCS, and approximately 28,952 open cases.
- In order for the caseload of a case manager to not exceed 15 active cases, DCS will be required to fill an additional: 523 case manager positions $[(28,952 \text{ cases} / 15 \text{ cases}) - 1,407 \text{ current case managers}]$; 105 new team leaders $(523 \text{ new case managers} / 5 \text{ new team leaders})$; and 26 new team coordinator positions $(105 \text{ new team leaders} / 4 \text{ new team coordinators})$.
- Expenditures associated with such positions are estimated to be \$46,950,050 $(\$36,152,184 \text{ salaries} + \$10,797,866 \text{ benefits})$ and would consist of \$28,112,234 in state funding and \$18,837,815 in federal funding, as follows:
 - \$20,658,022 in DCS state funds $(\$46,950,050 \times 44.0\%)$.
 - \$7,454,212 in TennCare state funds $[(\$46,950,050 \times 46.0\%) \times 34.515\%]$.
 - \$14,142,810 in TennCare federal funds $[(\$46,950,050 \times 46.0\%) \times 65.485\%]$.
 - \$4,695,005 in Title IV-E federal funds $(\$46,950,050 \times 10.0\%)$.
- Since the proposed legislation does not take effect until halfway through FY24-25, the total expenditures for FY24-25 would be \$14,056,117 $(\$28,112,234 \times 50\%)$ in state funding and \$9,418,908 $(\$18,837,815 \times 50\%)$ in federal funding; with a full year impact beginning in FY25-26.
- According to information provided by DCS, there is approximately a 23 percent vacancy rate among case manager positions statewide, the costs of which are currently covered in DCS's budget.
- Assuming all open caseworker positions were filled, the average caseload per case manager would be significantly less than 15 cases.
- According to DCS, all such unspent funds for these unfilled positions revert to the General Fund. DCS' total reversion in FY21-22 was \$55,400,081.
- Barring any other action taken or unforeseen circumstance occurring, the vacant positions will remain vacant at a similar rate and DCS will not be able to comply with the proposed legislation.
- DCS will be able to publish on its website without any increase in state expenditures. DCS will be able to inform the Governor, the TGA, and the Commission on Children and Youth of their possible noncompliance by utilizing existing resources and personnel, and will therefore be done without any fiscal impact.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

/cd